



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

January 6, 2006

John Lapp, Treasurer  
Democratic Congressional Campaign Committee  
430 South Capitol Street SE, 2nd Floor  
Washington, DC 20003

**Response Due Date:**  
**February 6, 2006**

Identification Number: C00000935

Reference: March Monthly Report (2/1/05-2/28/05)

Dear Mr. Lapp:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Schedule A supporting Line 17 of your report discloses a payment from Names in the News. It appears this receipt was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1) and (2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution received by your committee from a corporation and is prohibited subject to the limits set forth at 2 U.S.C. §441b(a)

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-The beginning cash balance of this report should equal the ending balance of your 2005 February Monthly Report (1/1/05-1/31/05). Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-Your calculations for Line 8 appear to be incorrect. Cash-on-hand at the close of the current reporting period should always equal the closing calendar year-to-date cash-on-hand amount. Please provide the corrected total on the Summary Page.

-Schedule E, supporting Line 24 of your report, discloses several independent expenditures on behalf of "Allyson Schwartz (H/PA/13), Diane Farrell (H/CT/04), Tony Miller (H/KY/03), Charlie Melancon (H/LA/03), Virginia Schrader (H/PA/08), John Salazar (H/CO/03), Charles Stenholm (H/TX/19), Nick Lampson (H/TX/02), Brian Higgins (H/NY/27), Patsy Keever (H/NC/11), Nick Lampson (H/TX/02), Chet Edwards (H/TX/17), Martin Frost (H/TX/32), David Ashe (H/VA/02), and G.K. Butterfield (H/NC/01)" which appear to have been distributed or publicly disseminated after the 2004 general election date. Please be advised that if the communication is aired in one reporting period and the payment is made in a later reporting period, the independent expenditure should be reported as a memo entry on Schedule E when the communication is publicly disseminated and on a Schedule D if it is a reportable debt under 11 CFR 104.11. When the payment for the independent expenditure is made, the report should show a payment on Schedule E and the same payment on Schedule D, if applicable.

Please amend your report to provide further clarifying information regarding the independent expenditures disclosed after the general election dates.

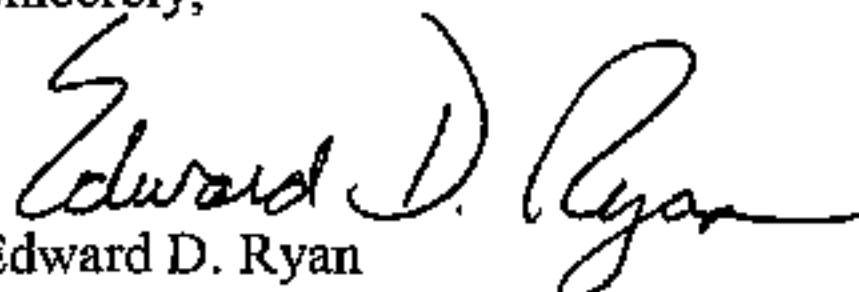
**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather

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than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1144.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward D. Ryan". The signature is fluid and cursive, with a large initial "E" and "R".

Edward D. Ryan  
Campaign Finance Analyst  
Reports Analysis Division

209

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